

# Builders in Boston missing diversity targets for jobs

## City itself not fully in line with goals for developers

By Matt Rocheleau | Globe Staff | August 28, 2015

Most developers in Boston failed to meet the city's goals for hiring Boston residents and women for construction jobs last year. That includes the second-busiest developer, the city itself, according to a Globe review.

A longstanding city ordinance requires developers to demonstrate good-faith efforts to ensure that 50 percent of all hours worked go to Boston residents, 25 percent to minorities, and 10 percent to women — and to report their performance to the city. The goal is to ensure that highly desirable building trades jobs are spread around, to reflect the city's diversity.

The city, like most local companies, failed to meet at least two of those hiring targets. Thirty-three percent of the hours worked on city projects in 2014 were worked by Boston residents, rather than the desired 50 percent. And less than 5 percent of the hours were worked by women, short of the goal of 10 percent.

But in the hiring of minorities, the city surpassed its 25 percent goal, with 33 percent of hours worked going to minorities.

Boston's performance was generally in line with the industry as a whole. The pattern of meeting the goals for hiring minorities, but lagging in hiring residents and women, has held for years.

"While we know there is more work to be done, we are proud of the progress the city has made," said Bonnie McGilpin, a spokeswoman for the mayor, in an e-mailed statement. She said the available pool of skilled workers in the building trades has not kept pace with the recent building boom.

She praised the ordinance, saying it had "proven to be a successful resource to increase employment opportunities for Boston residents, workers of color, and women . . . and to help ensure that Boston's workforce reflects the makeup of our city."

Mayor Martin J. Walsh, in comments earlier this year, said that he was surprised and concerned by some of the industry's low numbers, and that the city plans to push for improvement.

Overall, the city hired for 488,000 hours of development work in 2014, making it the second-most active developer.

The city's busiest developer, National Development, employed Boston residents for 26 percent of hours worked, minorities for 24.5 percent, and women for 4.4 percent — like the city, short of the goal for local residents and women.

National Development spokeswoman Kathy McMahon said the company supports the hiring goals suggested in the ordinance, but “with so much construction happening in the city right now, it is often difficult for subcontractors to supply labor that fully meets the established goals.”

Samuels and Associates, the third-busiest developer, hired residents for 32 percent of hours worked, minorities for 29 percent, and women for 4.7 percent, repeating the pattern of being below target for hiring residents and women.

The company said in a statement that it was committed to complying with the city's policies, and that it requires the general contractors and subcontractors it hires to demonstrate their best-faith efforts to meeting the goals.

Among the top 50 developers in the city, Genzyme, a biotechnology company that is upgrading its Allston facility, was a notable outlier. It posted by far the lowest percentages of Boston residents — 6 percent — per hours worked in 2014.

Minorities accounted for 20 percent, and women just 0.5 percent, of hours worked.

Officials at Genzyme, the 23d-busiest developer in 2014, declined to comment, referring questions to the project's general contractor, Turner Construction Co.

Turner spokesman Chris McFadden said the construction at Genzyme's Allston facility requires highly specialized skills that are in short supply. The project is retrofitting pharmaceutical manufacturing systems at the plant, while the facility remains fully operational, he said.

“As the project progresses, we continue to work with our subcontractors to ensure that they continue with their best-faith efforts to build upon these numbers,” McFadden said in an e-mail.

He said Turner has for years worked with programs and organizations that promote increased resident participation and diversity in the construction industry.

Norwich Partners, which is building a luxury hotel in the Seaport District, delivered the worst performance among the top 50 in terms of hiring minorities, at 19 percent. Residents accounted for 24 percent of hours worked, women for 3.1 percent.

Chief executive David Leatherwood of Norwich Partners, the city's 24th-busiest developer last year, referred questions to the project's general contractor, Lee Kennedy Co., and said he planned to raise the issue with officials there as well.

Officials at Lee Kennedy did not respond to a request for comment.

The data also identify several developers that delivered strong performances in reaching some of the hiring goals.

Dorchester Bay Economic Development Corp., the 22d-busiest developer in the city, hired residents for 58 percent of work hours and minorities for 69 percent, though it still faltered in hiring women, logging 5.6 percent.

Madison Tropical LLC, a partnership of Madison Park Development Corp. and Tropical Foods grocery company, the 37th-busiest developer, also performed well.

It hired residents for 43 percent of its work hours and minorities for 53.5 percent. The company lagged behind the goal for hiring women, at 3.7 percent.

Brooke Woodson, vice president of programs at Madison Park, said that for developers to meet or exceed the city's hiring goals, they must wholeheartedly buy in.

"You have to see the value in it," Woodson said. "And you need to put resources into it."

He said Madison Tropical had adopted measures to try to meet the city's hiring goals, including staffing a full-time compliance monitor to keep close track of the project's hiring statistics and establishing an applicant-friendly system for people who walk onto the project site looking for work.

Woodson said many companies focus solely on completing the project at hand as efficiently as possible.

"But we're here not to just build buildings," he said. "We're also here to build communities."

City Councilor Tito Jackson, meanwhile, called on the city and other top developers to "lead by example" to improve performance.

"No more excuses," he said. "It can be done, if there is a value placed on diversity inclusion. It has happened in the city of Boston, and the projects have come in on budget and on time."

### **Development firm track records on diversity, resident hiring in Boston**

DATA: City of Boston